



IN REPLY REFER TO:

United States Department of the Interior

OFFICE OF SURFACE MINING
Reclamation and Enforcement
P.O. Box 46667
Denver, Colorado 80201-6667

UT-0003

June 8, 2007

Utah Division of Oil, Gas, & Mining
Coal Regulatory Program
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

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C/07/0005

RE: Canyon Fuel Company, LLC "Skyline" Mine - Application for a Permit Revision,
Waste Rock Pile Expansion, Task ID No. 2800

Dear Sir or Madam:

This is in response to the Utah Division of Oil, Gas & Mining's (UT-DOGM) May 8, 2007, request for a decision, under 30 CFR 944.30, whether the above subject permit revision constitutes a mining plan modification.

Mining plan approvals by the Secretary of the Interior are required under the Mineral Leasing Act of 1920, 30 U.S.C. 181, *et seq.* before coal mining can occur on Federal lands. This letter serves to document OSM's determination whether or not a mining plan approval from the Secretary is required for the above permitting action.

OSM's review of the Application for a Permit Revision, Waste Rock Pile Expansion, has determined that it proposed to increase the permit area by approximately 12.5 acres to allow for the expansion of the existing waste rock pile. Of those 12.5 acres, only approximately 5.13 will be disturbed by the waste rock pile expansion at the Skyline mine, Utah State permit C/007/0005.

Based on a review of the activities associated with the permit revision, OSM has determined that the proposal does not meet the requirements of 30 CFR 746.18(d). Therefore, the proposed permit revision does not constitute a mining plan action requiring Secretarial approval. ✓

OSM's decision was based solely upon the Federal regulations under 30 CFR PART 746 and not the technical aspects of the revision application itself. Consequently, OSM's decision does not relieve UT-DOGM from coordinating the review and approval of the Application for a Permit Revision, Waste Rock Pile Expansion, with other Federal agencies for compliance with other Federal regulations.

OSM also electronically transmitted the May 8, 2007, request to the Bureau of Land Management and the U.S. Forest Service for their review and comment.

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